May 17, 1971

SCIENCE

FOREIGN AGRICULTURE

May 17, 1971

MIAMI UNIVERSITY LIBRARY

MAY 27 1971

U.S. Farm Exports Peak Again

East and West Pakistans' Strong Farm Trade Ties

Foreign Agricultural Service
U.S. DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURE

VOL. IX • No. 20 • May 17, 1971

In this issue:

2 U.S. Farm Exports Achieve New High for January-March By Dewain Rahe

4 Pakistan's Two Parts Have Built Up an Important Complex of Farm Trade Ties By Amjad H. Gill and John B. Parker, Jr.

6 Record '70 Output Extends Belgium's Mixed Feed Boom By Harold L. Koeller

8 Competition Stiffens in Race for Japanese Agricultural Market

10 MIATCO's First Solo Show in Tokyo Is Success

13 Crops and Markets

This week's cover:

Many people in East Pakistan live in boats which they use to transport the country's main crops—rice and jute. (Photo FAO.)

Clifford M. Hardin, Secretary of Agriculture

Clarence D. Palmby, Assistant Secretary for International Affairs and Commodity Programs

Raymond A. Ioanes, Administrator, Foreign Agricultural Service

Editorial Staff:

Kay Owsley Patterson, Editor
Janet F. Beal, Associate Editor; Faith Payne, Marcellus P. Murphy, Isabel A. Smith, Ann L. Barr, Jane V. Foster, Katherine Janka, Daniel B. Baker.

Advisory Board:

Kenneth F. McDaniel, Chairman; Horace J. Davis, Anthony R. DeFelice, Robert H. Ingram, Leonard B. Kelley, Kenneth K. Krogh, J. Don Looper, Donald M. Rubel, Larry F. Thomasson, Raymond E. Vickery, Quentin M. West, Joseph W. Willett.

Use of funds for printing *Foreign Agriculture* has been approved by the Director of the Bureau of the Budget (May 1, 1969). Yearly subscription rate, $10.00 domestic, $13.00 foreign; single copies 20 cents. Order from Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

Contents of this magazine may be reprinted freely. Use of commercial and trade names does not imply approval or constitute endorsement by USDA or Foreign Agricultural Service.

U.S. Farm Exports Achieve New High For January-March

By DEWAIN RAHE
Foreign Development and Trade Division
Economic Research Service

Momentum gained in U.S. agricultural sales abroad in the first two quarters of U.S. fiscal 1971 was maintained by a new record for the third quarter for any U.S. fiscal year—$2,023 million. This figure is 22 percent greater than the $1,657-million value for farm exports in January-March 1970 and helps swell the total for the first 9 months of fiscal 1971 to about $5,890 million—another new record and 18 percent greater than the $4,990 million of the same period a year earlier.

Directly responsible for the increase in value of U.S. agricultural exports for the first 9 months of fiscal 1971 were gains in volume of shipments and higher prices for several major trade items. About two-thirds of the increase stemmed from greater shipments—especially of wheat and soybeans, which rose 30 percent each from the levels of the previous fiscal year. Other volume gains occurred for slaughter cattle, inedible tallow, dairy products, feedgrains, protein meals, soybean oil, cotton, and nuts. Substantial price increases enlarged the value of exports of wheat, feedgrains, soybeans, vegetable oils, and inedible tallow.

Two sets of U.S. agricultural items—oilseeds and products and grains and preparations—together accounted for nearly four-fifths of the increased value of farm exports in the first 9 months of the current fiscal year. The value of exports of oilseeds and products was $351 million greater than during

Bargeload of California almonds in seagoing containers en route to overseas freighter in San Francisco Bay.

July-March of the previous fiscal year, and shipments of grains and preparations rose $340 million in worth.

Nearly all of the increase in export worth of oilseeds and products was owing to larger shipments of higher value of soybeans, soybean meal, and soybean and cottonseed oil. For July-March 1970-71, soybean movements were 323 million bushels compared with 289 million bushels for July-March 1969-70. Soybean meal exports were up over 17 percent in volume to reach 3.2 million short tons. And soybean and cottonseed oil exports were up 31 percent in volume for a total of 1.5 billion pounds while higher prices pushed the value advance to 61 percent.

Greater world demand for both meal and oil, below-trend foreign production, and large U.S. soybean output and stocks combined to increase U.S. exports. Smaller foreign export availabilities of peanuts, sunflowerseed, and copra contributed to market pull. At the same time demand for edible oils continued its climb in developing countries at a rate of 8 percent a year.

In addition, gains in poultry and pork production in Western Europe and Japan (combined with high grain prices in the former) encouraged greater use of high-protein, economically priced soybean meal. Both Western Europe and Japan purchased record quantities of U.S. soybeans for processing into meal and oil during July-March 1970-71. Japan's total of 99 million bushels is 31 million greater than during the corresponding 9 months of the previous fiscal year, and the Common Market's total of 161 million bushels is 57 million larger. Direct exports of U.S. soybean meal to Common Market countries also climbed sharply.

In the other major category of increased U.S. agricultural exports—grains and preparations—wheat accounted for nearly three-fourths of the gain. For July-March 1970-71, U.S. wheat shipments totaled 513 million bushels. For the same period a year earlier, wheat exports were 385 million bushels. Around 75 percent of wheat exports in the current fiscal year have been commercial, and about one-fourth of these commercial movements involved barter transactions or Commodity Credit Corporation (CCC) credit.

The countries that absorbed the larger wheat shipments of the current fiscal year were those of the Common Market, Japan, the United Kingdom, Algeria, China (Taiwan), Yugoslavia, Romania, Korea, and Morocco. Shipments to India, Brazil, and Venezuela were down from a year earlier.

Bigger movements of feedgrains also helped to swell total grain shipments. Feedgrain exports reached 15.9 million metric tons during July-March 1970-71 and were nearly 1 million tons (about 6 percent) more than for the same period during the previous fiscal year. Shipments were particularly frequent and large during the fall of 1970. However, a 1.6-million-ton increase in purchases by countries of the Common Market (not including larger shipments by the St. Lawrence Seaway) was partly offset by smaller sales (300,000 tons less) to Japan, the top country market for U.S. feedgrains.

At the same time that feedgrain exports increased, their sales distribution by type changed from the previous year. In 1969-70, feedgrain exports were 83 percent corn and 17 percent grain sorghum. Through March of this fiscal year, corn is 67 percent of shipments, sorghums are 24 percent, and barley and oats are 8 percent and 1 percent, respectively.

One grain that did not follow the general trend of increase in exports was rice. U.S. shipments fell about 12 percent in value because of strong competition (especially in the Common Market from Latin American countries) and because increased domestic production has reduced the rice import requirements of several developing nations. For July-March 1970-71, U.S. exports of rice totaled 25.3 billion pounds and were 11 percent less than during the same period a year before.

U.S. exports of two farm products for industrial use—cotton and tobacco—have improved markedly in recent months, and cotton exports for July-March 1970-71 at 2.6 million running bales are substantially above the 2 million bales shipped during the same period a year earlier. While tobacco

(Continued on page 16)

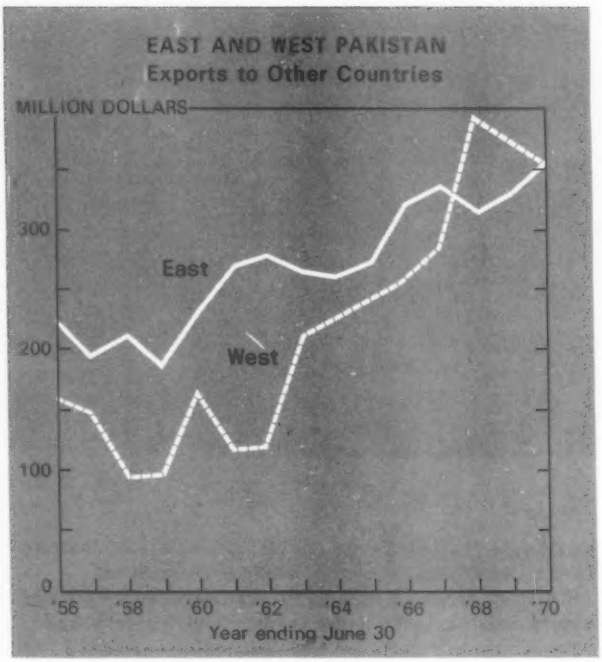
World Trade Honored This Week

The week beginning May 16, 1971, is World Trade Week—so proclaimed by President Nixon. In his proclamation of April 15, the President called world trade "an important national priority:"

"Now, more than ever before, the United States must seek to strengthen its role as a key supplier to the global marketplace. An increased international effort will accelerate foreign exchange earnings, strengthen the position of the dollar abroad, and enable us to meet our responsibilities to the international community. It will also provide added stimulus to our economy at home as it moves towards our national objective of full employment through increased productivity.

"Now, therefore, I, Richard Nixon, President of the United States of America, do hereby proclaim the week beginning May 16, 1971, as World Trade Week, and I call upon the business community and the American people to consider world trade as an important national priority which warrants their attention and productive efforts. I request that appropriate Federal, State, and local officials cooperate in observing that week."

Pakistan's Two Parts Have Built Up an Important Complex Of Farm Trade Ties



By AMJAD H. GILL and JOHN B. PARKER, JR.
Foreign Regional Analysis Division
Economic Research Service

East and West Pakistan, though parts of one nation, are divided by the width of the Indian subcontinent and by the civil differences that recently flamed into open conflict. Nonetheless, over the years of the country's existence, its two "wings" have built up a complex system of economic interdependence.

This system has been based largely upon the very fact that these two parts of the country are not only separated geographically but contrast so sharply —in size, climate, agricultural production, and many other aspects of their economies—that they have seldom competed for foreign markets; rather, to a large extent, they have complemented each other.

For example, jute and jute products account for about 93 percent of East Pakistan's exports to foreign customers and 14 percent of its shipments to West Pakistan. Cotton and cotton products account for about 44 percent of West Pakistan's total exports and 31 percent of its shipments to East Pakistan. All the jute is produced in the East; almost all the cotton, in the West. These economic contrasts, plus the tariff-free movement of goods between the two wings for a common currency, have led to a rapid rise in trade between East and West Pakistan. During the past decade, the value of these interwing shipments doubled.

The economic setting—West. West Pakistan has an area of about 310,000 square miles, equivalent to Texas and Louisiana combined. About 70 percent of its 60 million people depend upon agriculture for their livelihood.

West Pakistan's climate is one of striking contrasts: the southwest monsoon brings from 15 to 30 inches to the northern regions between June and September, but much of the country is dry plains and mountains. The Indus River system provides irrigation for about half the cropland; and the Mangla and Tarbela Dams store water for the dry season.

The Green Revolution has had an amazing impact on grain production, pushing it to 11 million tons in 1970, or 82 percent above the 1966 level. High-yielding varieties accounted for about three-fourths of the 7.2-million-ton wheat crop and for half of the 2.6-million-ton rice crop.

Gains for cotton, sugarcane, and tobacco have been more moderate, but still impressive; and diversification has sharply increased production of peanuts, sunflowerseed, fruits, and vegetables. But wheat still accounts for over half of the average person's 2,200 calories per day.

The Mangla and Tarbela Dams also provide electrical power for West Pakistan's flourishing textile, leather, consumer goods, fertilizer, and machinery industries. Industrialization has developed rapidly since the partition from India in the late 1940's. The new textile mills built to replace those located in India provided jobs for millions of laborers, and their rising incomes spurred the proliferation of consumer goods industries. The switch to larger exports of textiles, from exports of raw cotton only, helped raise the total value of exports. Recently, tremendous strides have been made in manufacturing fertilizer, pesticides, and machinery, including tractors.

The economic setting—East. East Pakistan contains about 55,000 square miles, an area about the size of Florida. About 93 percent of its 73 million people are rural, and small farms predominate. The average size of farm is less than 3 acres.

Rainfall in this moist tropical region ranges between 50 inches and 200 inches per year. Because of the rich soils and the ample water supply—both from rainfall and from the Ganges and Brahmaputra Rivers—conditions are suitable for growing rice, jute, tea, and forest products.

Production of rice, the major crop, reached a peak of 12.1 million metric tons in 1969–70, about 26 percent above the 1966 level. About 7 percent of the rice area was planted in high-

yielding varieties the next year, and another record crop had been expected for 1970–71. But the severe cyclone and tidal wave damage of November 1970 in the major rice district held 1970–71 production down somewhat, to about 11.8 million tons, though larger plantings of IR–20—especially for the spring 1971 crop—helped improve yields in some areas where the disaster did not strike.

Rice, wheat, and fish are the major foods eaten in the East, although the diet is changing somewhat. Rice still accounts for over half the value of agricultural production and for over two-thirds of the 2,080 calories received daily by the average person. Wheat consumption, however, scored a tenfold increase in the past decade; and the production of more potatoes and winter vegetables has led to a more diversified diet in the area.

Industrialization has proceeded at a slower pace in the East than in the West. The major industry is the manufacture of jute products. Cotton yarn and piece goods, paper, matches, lumber, cigarettes, steel, fertilizer, and processed foods and beverages are also produced in the East.

The trade picture—West. West Pakistan's shipments to East Pakistan reached a record value of $323 million in 1969–70, compared with $172 million in 1960–61. During the decade, the East became a major market for a wide assortment of the West's cotton textiles, and also for its raw cotton, rice, tobacco (both leaf and products), and oilseeds. Its purchases of each exceeded those of West Pakistan's major foreign customer for that item.

The East's new cotton textile factories depend heavily upon machinery from West Pakistan, as well as on cotton yarn and raw cotton; and its skyrocketing cigarette output owes much to purchases of large quantities of the West's flue-cured tobacco. It has also become a large market for a wide variety of West Pakistan's industrial products, ranging from pharmaceuticals to boots and shoes.

In the East, the West has found ready sales for any agricultural surplus produced on its irrigated farmlands. This was expecially true when West Pakistan was seeking buyers for IR–8 and IR–6 rice; East Pakistan was its only significant customer. The same thing happened when West Pakistan sought new markets for its expanded wheat ouput.

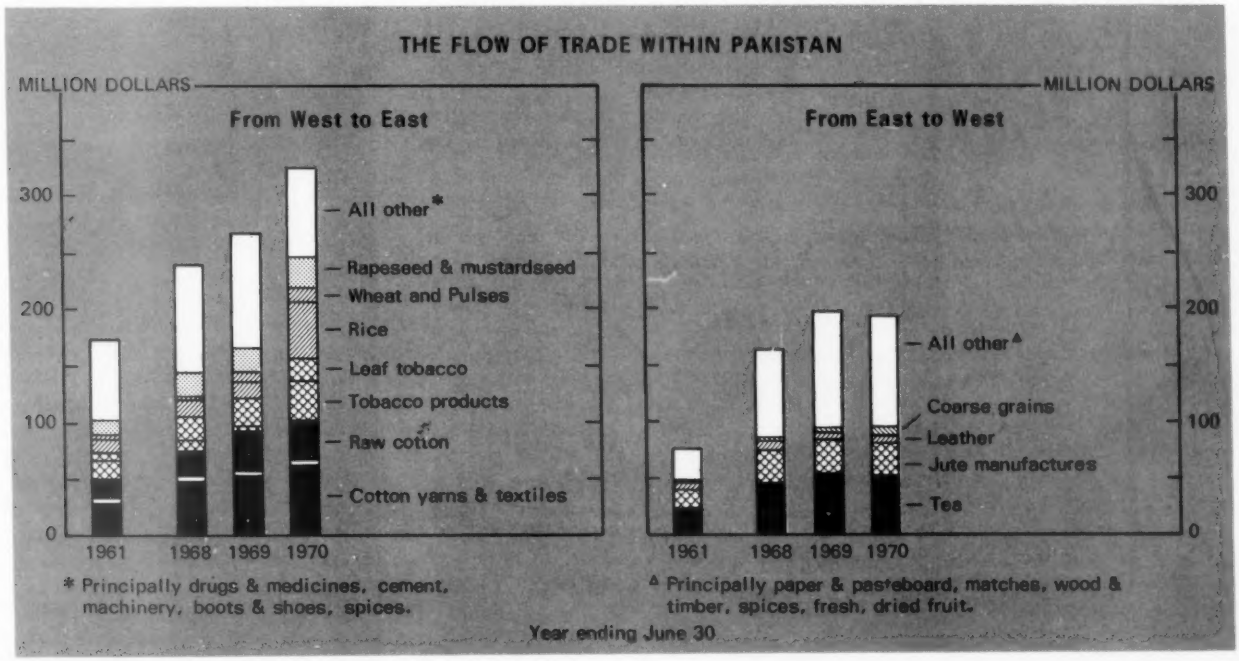
West-to-East rice shipments jumped to a record 403,000 tons in 1969–70, from 178,000 the year before and 103,000 in 1960–61. But even these large amounts cannot cope with the East's urban rice shortage. Private traders in West Pakistan, who handle about one-fourth of this interwing rice trade, can get much better prices in the East than in foreign markets.

West Pakistan has sent increasing amounts of wheat to the East—in 1969–70, 84,000 tons; but with its own wheat consumption gaining faster than its production, supplies are tightening. West-to-East wheat deliveries in 1970–71, even including relief shipments for the East's disaster areas, were less than 1,000 tons.

Other agricultural products that move in West-to-East trade are mustardseed and rapeseed (attracted by the higher prices in the East despite the West's growing shortage of oilseeds), vegetable oils, pulses, and spices and chilies.

West Pakistan's exports to foreign countries tripled during the decade, rising from $113 million in 1960–61 to a peak of $391 million; but smaller raw cotton exports pushed the total down to $350 million in 1969–70. Major exports that year were cotton fabrics (mainly to the United States, the United Kingdom, Poland, Bulgaria, Czechoslovakia, and Afghanistan), cotton yarn (mostly to Hong Kong and Singapore), raw cotton (mostly to Hong Kong, Japan, Mainland China, the USSR, and Poland), leather (to Italy and other West Euro-

(*Continued on page 12*)



Record '70 Output Extends Belgium's Mixed Feed Boom

By HAROLD L. KOELLER
U.S. Agricultural Attaché
Brussels

The Belgian mixed feed industry, extending its rapid growth of recent years, achieved another alltime production high last year of nearly 5 million metric tons. This record output was 18 percent above the 1969 level and nearly three times that of a decade ago. Booming hog and egg production, stimulated by the feed industry through contract arrangements with farmers, generated most of the increased demand for mixed feeds.

With a pause in the upward trend of the hog cycle and an easing egg production forecast, the industry growth is expected to moderate some in 1971. But expansion will still probably be close to 12 percent for a production of some 5.5 million tons.

The Belgian mixed feed industry is of relatively recent origin. Although some feeds were manufactured during the period between the two World Wars, production has been important commercially only for the last 20 years. But growth during these two decades has been phenomenal.

From only 430,000 metric tons (Belgian figures) in 1950, Belgian output of mixed feed climbed fourfold, to 1.75 million tons, by 1960. Then during the following decade, it nearly tripled the 1960 level for a 1970 result of 4.9 million tons. (All but the 1950 figure are attaché estimates, which for 1970 include 450,000 tons not given in Belgian statistics. The unreported production is by small manufacturers who are not covered by any statistical survey and also possibly from some plants that do not declare their entire mixed feed production.)

Along with this growth in production, the industry has also undergone many structural changes, and today it is dominated by a few large firms. Trade association statistics indicate that 19 firms manufacture over 70 percent of the national output, each of these producing over 3,000 tons a month, and several, of course, turning out much more than that.

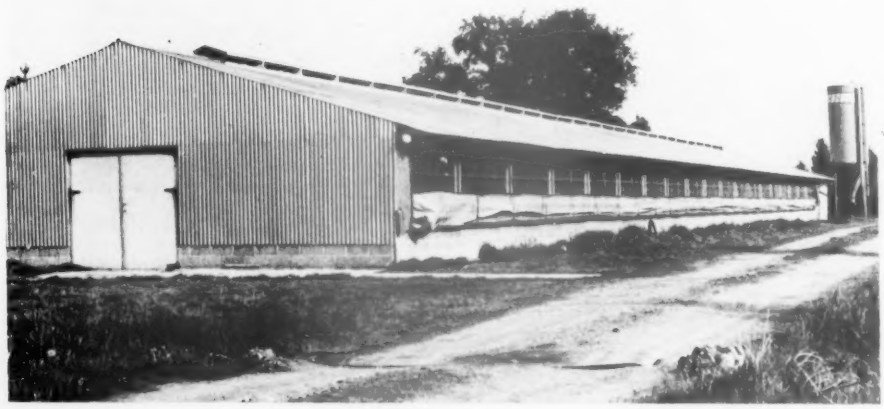
The industry itself can be broken down into three groups:

- The 100-or-so large and medium-sized feed manufacturers belonging to the Belgian Compound Feed Manufacturers Association. Production by these companies represents about three-fifths of total mixed feed output that is officially reported;
- The country's largest cooperative feed company, which is owned by the Boerenbond, Belgium's dominant farmer organization, and accounts for another 22 percent; and
- Some 500 small regional manufacturers, including even some merchant-mixers, which account for the remaining 18 percent.

Although the exact number of the latter group is not revealed by the Ministry of Agriculture, which licenses mixed feed manufacturers, it is believed to fluctuate between 450 and 550, depending on the price of feeds and feeding materials. However, many of these small firms may not be active at any given time. In fact, any feed dealer possessing a crude feed-mixing installation may request approval to undertake production the day it becomes profitable to him to do so.

One reason for the rapid expansion of the Belgian feed industry has been its move into integrated livestock production as a means to increase demand for mixed feed. Most of the gain in output of hogs and eggs in 1969 and 1970 is credited to a sharp expansion of integrated production by feed companies through contracting with farmers. While some of the contracting does not represent complete integration, it is generally agreed that the extent of integrated production is about as follows:

Modern broiler house, below, supplies feed to growing birds via an automatic feed belt system. Right, a Belgian producer gathers eggs.



Swine, such as Belgian Landrace sows at left, are now raised almost entirely on mixed feed. Above, a new modern cooperative feed mill.

	Percent
Broilers	90–100
Laying hens	60–80
Hogs	75–80
Beef cattle	15
Veal calves	80–85
Dairy cattle	0

The greater part of integrated production is controlled by the feed companies. Increasingly, it is becoming common for feed companies to own poultry processing plants and hog slaughterhouses to which they deliver broilers and hogs that have reached the desired size. Some companies own their own breeding and multiplication herds and supply young pigs to farmers, who raise them on the companies' feed. The companies' veterinarians and marketing men check on operations to determine the health of the animals and when they are ready for market. When a feed company does not own a hatchery, it buys chicks to supply to its contract producers.

Members of the Boerenbond may operate under a flexible program, which does not require them to buy feed from the cooperative feed company, although in practice they do. They buy their chicks from farmer-hatchers, who obtain hatching eggs from specialized flocks producing Hypeco-breed hatching eggs. This breed was developed by the Dutch and Belgian farm organizations to produce a desirable type of broiler with high feed efficiency. Producers sell their broilers to the cooperative processing plant. The producers can also finance feed purchases there on 5-week credit supplied by the Boerenbond credit service.

All of the feed companies produce different feeds for each kind of livestock and for different ages of stock: large mills sell feed for broilers, laying hens, hogs, dairy cows, calves, beef cattle, and small animals. They formulate the feeds according to age, kind of animal concerned, and cost, in many cases using computers to achieve the best possible results.

Several of Belgium's largest mills have their own computers, while smaller ones have their work done by computer centers on a time-sharing or service basis.

In programing for a given feed formula, the feed technician can limit the quantities of certain ingredients (e.g., of fishmeal) or require a minimum of some others.

Calculation of least-cost formulas that provide certain percentages of protein, starch, fat, and other nutrients in a feed requires that the analyses of the ingredients used, as well as the prices, be placed in the computer. In attempting to obtain the optimal formulas, mills use analyses from their own laboratories and, in some cases, from research stations and other official and unofficial sources.

The major factor in changing feed formulas is the price of ingredients available. Computers facilitate selection of the lowest-cost ingredients, making for considerable season-to-season variation in ingredients used.

Another factor is consumer preference. This is seen in Belgian demand for a white-skinned chicken and the resultant exclusion of corn from broiler formulas so as to prevent skin yellowing. On the other hand, Belgian consumers prefer a dark-yoked egg, so corn and alfalfa meal are used in laying-hen formulas.

Computers have proved to be highly effective tools for feed formulating, enabling manufacturers to produce various kinds of mixed feeds at the least cost, taking into account current availabilities and prices. Thus, it might appear that computers eliminate competition other than price among the feed materials.

However, the feed manufacturer, after determining the desired nutrient content of a formula, may build qualitative factors into the matrix by indicating minimum or maximum quantities of any or all of the ingredients proposed. Some feed mills, for instance, place a maximum percentage on the quantity of manioc to be used, even though it might be the cheapest source of calories at the moment, since corn and grain sorghum are believed to contain some valuable nutrition factors that manioc lacks. The greater use of grains in feed formulas might be encouraged by promoting wider recognition among feed nutritionists of the advantages of using more grains and less starchy ingredients.

(Continued on page 11)

Competition Stiffens in Race for the Japanese Agricultural Market

More and more exporting countries are becoming convinced that active promotion is the marketing tool that provides the greatest impact in the increasingly competitive Japanese market.

In 1970 Japan imported some $4 billion worth of food and agricultural products and, in the race to enlarge their slice of the import pie, some 30 countries other than the United States spent a total of $4.3 million for promotion. This was $1.3 million over the amount spent in 1969. The acceleration becomes even more significant when compared with the modest $1 million expended annually for promotion in the mid-1960's.

Declining self-sufficiency in farm production plus an increasing ability to buy has made Japan fourth biggest agricultural import market in the world. Japan relies heavily on foreign trade and, consequently, has an unusually strong incentive to buy farm products where the purchases will help expand and diversify markets for its exports, largely manufactured products. This incentive is most likely to influence buying decisions where the seller has an unfavorable balance of trade with Japan, and where Japan has strong long-term trading ambitions as a supplying nation.

To compete successfully in this market exporters must understand the Japanese agricultural products marketing system, aggressively promote their products, and be competitive in price, quality, financing, and reliability. U.S. exporters have done well in meeting these selling requirements in the past, but stiffening competition calls for even harder work in the future.

Japan is by far the best single overseas customer for U.S. farm products. U.S. agricultural exports to this market in 1970 set a new record of $1.2 billion (f.o.b. basis), the largest amount ever shipped from one country to another in one year. But the U.S. share of Japan's total imports of agricultural products in 1970 declined to about 31 percent, down from 33 percent in the midsixties. This downward trend reflects greater competition from other suppliers, and Japan's agricultural import diversification policy.

Competition among exporting nations varies considerably among products from year to year.

The United States, Brazil, Mexico, Central American countries, and the Soviet Union are major competitors in cotton sales. Soybeans are supplied primarily by the United States and Mainland China.

The United States, Canada, Australia, New Zealand, and Argentina provide the bulk of the wheat, barley, hides and skins, tallow, and grain sorghum. Corn imports come largely from the United States, South Africa, Thailand, and Mexico.

India, Thailand, Greece, and Turkey provide the most serious foreign competition for U.S. leaf tobacco while Denmark, Bulgaria, Hungary, and Mainland China furnish sharp competition for U.S. poultry exports to Japan.

A host of processed foods from Australia, New Zealand, Canada, and several European countries are being sold side-by-side with U.S. processed foods in Japan's supermarkets.

Promotion has played a major role in changing Japanese food consumption habits which in turn has led to larger agricultural imports. The 104 million Japanese are exposed to advertising about new food products from national and local newspapers, television, radio, posters, balloons, and direct mail in a media coverage which is reputed to be equal to or greater than that in any other country in the world. The Japanese consumer is, therefore, kept well informed about new and old food products. Any new product which is not promoted loses the marketing race at the starting gate.

Food and beverages are the most highly advertised items in Japan followed by machinery and appliances, medicines, cosmetics, and others. Advertising in Japan is largely directed at the housewife. It is she who is responsible for the allocation of the household budget and the purchase of foods and other necessities. In Japan, the "kimono" controls the purse strings and, consequently, promotion budgets.

U.S. agricultural trade associations, the U.S. Department of Agriculture, and various Japanese groups are cooperating closely in promoting sales of U.S. farm products in the growing Japanese market. These joint programs were initiated about 15 years ago and have since been expanded significantly in an effort to capitalize on market expansion opportunities. Cooperative promotional activities are now being carried on for U.S. wheat, feedgrains, soybeans, cotton, tallow and other animal fats, prunes, raisins, poultry products, almonds, citrus fruits, dry peas and lentils, and breeding cattle and hogs.

Fifteen years ago, if an average citizen of Tokyo had been stopped on the street and asked his opinion about raisin bread, doughnuts, pancakes, fried chicken, turkey, deviled eggs, vegetable

Expo '70 was by far the largest scale food promotion in 1970. Far left, two Japanese are introduced to carryout fried chicken, while lemonade wins a new fan at left. Below, a supermarket promotion.

oil, margarine, lemons, grapefruit, almonds, and a host of other food products now taken for granted, he would have said he had never heard of them. Over this relatively short span of time, however, U.S. food promotions have had amazing success in helping to introduce these so-called Western foods to a Japanese public willing to try and able to buy new products.

Expo '70 was by far the largest scale food promotion of 1970 in Japan. Eighty-five foreign countries spent some $15 million to $20 million in building and operating restaurants and food stalls at the Fair. Sixty-four million visitors were attracted to Expo during its 183-day run from March 13 to September 13. There were 250 eating places on the Fair grounds and visitors had the opportunity to sample a myriad of foods and beverages from all over the world. Included in the 250 eating places were 42 restaurants in pavilions operated by foreign governments and organizations, 16 restaurants in Japanese pavilions, 150 general restaurant concessions, and 42 open air stalls.

The complex of restaurants and snack bars in the American Park chalked up the highest total sales of any country's Fair-catering operations, taking in some $2.6 million. Many Japanese and foreign visitors tasted U.S. beef, turkey, chicken, citrus fruits, peaches, almonds, raisins, prunes, and other products for the first time.

Second in total sales was the restaurant in the Soviet pavilion—a 1,300-seat extravaganza featuring Caucasian barbecue, snow grouse, 10 varieties of caviar, and fresh fish from the Danube. Next in order of highest sales were restaurants sponsored by the Scandinavian countries, New Zealand, France, West Germany, and Switzerland.

Besides the restaurants a wide variety of food products from 30 countries were sold at Expo '70's International Bazaar. The Japanese have a strong tradition of buying a souvenir or gift for their families when they travel or attend an unusual event, and consequently the wide variety of attractively packaged foreign foods and beverages purchased at the International Bazaar found their way back to some of the most remote areas of Japan.

Apart from the energy and funds expended at Expo, competing agricultural exporters conducted a number of other food promotion activities in 1970. Several trends were in evidence, including:

- Increased emphasis on point-of-purchase promotions in supermarkets.
- Greater number of Japanese team visits to exporting countries under the sponsorship of foreign governments and organizations.
- More stress on commercial-type food promotions in hotel restaurants.
- More tie-in promotions with foreign airlines and shipping lines.
- Expanded promotion of imported meats in anticipation of the lower import duty on lamb and larger import quotas and perhaps eventual liberalization of items such as processed meats, beef, and pork.

Countries with the largest budgets for agricultural promotions in Japan in 1970 were, in order of highest expenditure: The United States, Australia, New Zealand, United Kingdom, France, Canada, Korea, West Germany, the Netherlands, the Scandinavian countries, the Soviet Union, and Austria.

Australia, with a heavy dependence on exports of agricultural products, has long striven to expand farm exports to Japan. Its overseas sales promotion program is a strong Government-industry joint effort. The product marketing boards, in cooperation with the Australian Trade Commissioner's Office, have

played an active role in promoting Australian products in Japan.

Activities include point-of-purchase supermarket promotions which include special displays and samplings of Australian food products. Emphasis during 1970 was on beef cooking demonstrations and samplings in Tokyo and other main cities throughout Japan. Australia is now supplying the bulk of Japan's beef imports.

New Zealand continued to concentrate its promotional efforts on meat, dairy products, and other food specialties. These products were featured in a series of special exhibits and demonstrations. Outstanding lamb promotion campaigns were sponsored by the New Zealand Meat Producers Board in cooperation with major Japanese meat industry organizations, meat importers, and processors.

Following its all-out "British Week" promotion in 1969, the United Kingdom intensified its promotions in 1970 with a series of special exhibits and samplings at major department stores and hotels throughout Japan. Particular emphasis was placed by the British on expanding sales of processed meats, dairy products, confectionery items, soups, jams, and jellies.

Canada continued its promotional campaigns for beef and processed foods through a series of food exhibits. Wheat promotion efforts were also stepped up with exchange visits by members of the Canadian Wheat Board and a Japanese wheat team.

France increased its promotions of processed foods and wines through a series of special exhibits held in department stores and at special bazaars.

In 1971, for the first time, West Germany and the Soviet Union plunged actively into the advertising pool with department store exhibits pushing their respective food specialties.

In addition, a host of other exporters spent varying amounts on promotional events ranging from food fairs to financing visits of Japanese trade representatives.

During 1970 the Japan External Trade Organization (JETRO) expanded its exhibition program aimed at increasing sales in Japan of products from developing countries such as India, Tanzania, and Thailand. The items promoted were largely food products and handicrafts.

JETRO, a semi-Governmental organization, works closely with the Japanese Ministry of International Trade and Industry and the Office of Foreign Affairs in an effort to diversify souces of primary products imports and correct Japan's foreign trade imbalances with certain developing countries. All exhibitions are cosponsored by JETRO and the developing country concerned, and are held in the exhibit hall of the JETRO headquarters in Tokyo.

MIATCO's First Solo Food Show in Tokyo Is Success

MIATCO—an agricultural export development organization representing 12 Midwestern States—recently staged its first solo exhibition at the U.S. Trade Center in Tokyo.

From April 12-17 some 2,000 Japanese buyers and other members of the food trade saw and tasted the products of 43 companies. Items displayed included beef, pork, poultry, cheese, canned and frozen fruits and vegetables, and processed foods. Convenience foods, such as precooked, plastic-packed potatoes that require no refrigeration until the package has been opened, generated much interest.

When the show was over MIATCO officials reported that one licensing agreement was signed, four agents appointed and another in the negotiating stage. Food sales valued at over $1 million are projected for the next year from contacts made at the show.

Scenes from the show. Below, Gene Thompson, director of the Missouri Department of Agriculture's Marketing Division, explains the merits of Missouri beef to Japanese buyers. Left, Minnesota meat gets a plug from Leroy Thoreson, marketing specialist (left), and Charles Combs, director of the Minnesota State Department of Agriculture.

Mixed Feed Boom In Belgium

(Continued from page 7)

The mixed feed industry's boom has been so great that today virtually all Belgian livestock other than cattle mainly receive mixed feed. As a result, future expansion will probably slow some and hinge directly on growth in animal production.

For the near term, the best prospect for increased feed utilization is the rapidly expanding swine sector. But growth in this industry depends on continued expansion in outlets for Belgian hogs and pork, which have been exported to France and, to a lesser extent, West Germany. Since domestic pork consumption—already fairly high—is increasing only gradually, swine output and hence consumption of swine feed will stop increasing whenever additional quantities of hogs and pork cannot be exported profitably.

While further growth may occur in broiler production, low profits have prompted some feed mills to drop this enterprise in favor of contract hog production. And the large, partly integrated egg industry probably has reached its limit, so only small increases are expected here. Some further growth in turkey production may occur, but this enterprise appears to be less promising under Belgian conditions than broiler production.

Further increases in production of feed for rabbits and for pets may be expected, but production of horse feed will continue to decline in line with diminishing horse numbers.

Little increase is expected in mixed feed for dairy cows in view of the recent fall in numbers, brought about in part by the Common Market slaughter program aimed at limiting surplus milk production.

Likewise, little if any increase is expected in calf feed since the EC is expected to increase beef prices more than veal prices in order to encourage beef output. However, over the long run, more concentrate mixed feed should be produced for the beef industry, and this could provide an outlet for increased feed production in future years.

Growth in Belgian livestock production and in output of mixed feed has been a favorable factor in demand for U.S. corn and grain sorghum, although these do face strong competition from Belgian barley, French corn, and EC "denatured" surplus wheat. Even stronger has been the demand for soybean meal, mainly produced from U.S. soybeans, whose use tends to increase directly with total feed production.

Some typical mixed feed formulas used in Belgium during the last three seasons are given in the table below:

Since December, some shifts have occurred in the shares of various ingredients used, in line with price changes in the ingredients. In February, for example, the price of corn fell some, resulting in an increased percentage of corn and a reduced percentage of grain sorghum being used in the layer formula. Some of the feed mills also probably began using corn again in their swine formulas.

PERCENTAGES OF INGREDIENTS USED IN TYPICAL BELGIAN MIXED FEED FORMULAS

Item	December 1970	December 1969	December 1968
Broiler feed:	*Percent*	*Percent*	*Percent*
Grain sorghum	58.50	13.50	46.00
Denatured wheat	—	30.00	—
Middlings	—	4.00	—
Soybean meal, 45 percent	27.00	19.00	9.00
Sesame meal	—	12.50	5.00
Sunflower meal	—	—	18.00
Fish meal	2.00	3.15	6.60
Misc. ingredients	12.50	17.85	15.40
Total	100.00	100.00	100.00
Layer feed:			
Corn	30.00	40.00	40.00
Grain sorghum	20.00	—	11.00
Denatured wheat	—	6.00	—
Soybean meal, 45 percent	9.50	9.00	10.50
Hominy chop	5.00	15.00	10.00
Manioc	6.00	3.90	3.80
Fish meal	1.70	2.00	3.00
Alfalfa meal	6.00	5.00	5.00
Misc. ingredients	21.80	19.10	16.70
Total	100.00	100.00	100.00
Swine feed:			
Corn	—	10.00	10.00
Grain sorghum	4.50	—	—
Sunflower meal	2.00	6.00	8.00
Barley	15.00	20.00	—
Manioc	25.00	25.00	25.00
Denatured wheat	16.50	11.50	25.50
Soybean meal, 45 percent	13.50	12.00	5.50
Misc. ingredients	23.50	15.50	26.00
Total	100.00	100.00	100.00

PRODUCTION OF MIXED FEEDS IN BELGIUM

Kind of feed	1960	1969	1970 [1]	Forecast 1971 [2]
	Metric tons	*Metric tons*	*Metric tons*	*Metric tons*
Poultry	549,960	996,860	1,150,000	1,200,000
Swine	563,145	1,708,165	2,300,000	2,800,000
Cattle [3]	[4] 562,375	1,208,914	1,220,000	1,250,000
Calf	[4] 63,950	122,318	120,000	125,000
Other	10,570	99,243	110,000	125,000
Total	1,750,000	4,135,500	4,900,000	5,500,000

[1] Partly estimated by author. [2] Forecast by author. [3] 1960 figure includes 200,000 tons of estimated unreported feed production believed to be mainly cattle feed; figures for 1969-71 include an estimated 450,000 tons of unreported feed production. [4] Breakdown estimated.

Pakistan's Farm Trade Ties

(Continued from page 5)

pean countries), basmati rice (to Kuwait, Bahrein, and other Middle Eastern markets), and fish and seafood products (for which the top market is the United States).

West Pakistan's total imports from foreign suppliers, rising from $456 million in 1960–61, peaked at $771 million in 1964–65 with large wheat imports, then declined to $690 million by 1969–70 as wheat production gains decreased import needs. But wheat imports are rising again; production gains expected in 1970–71 were prevented by drought and a slowdown in fertilizer use.

Imports of vegetable oil and tallow are also rising. In 1970 Pakistan was the major export market for U.S. soybean oil (including a substantial volume under P.L. 480), the West taking slightly more than the East.

The trade picture—East. East Pakistan's shipments to West Pakistan totaled $192 million in 1969–70, 2½ times those of 1960–61. Tea accounts for over one-fourth of these shipments. This tea trade more than doubled during the decade; but West Pakistan is now taking more tea from Ceylon because its consumption is rising faster than production from East Pakistan's plantations.

Jute bags, and jute cloth, paper, matches, and leather are next in importance to tea in the East-to-West trade. Other important items are rope and twine; coarse grains (mostly for expanding commercial broiler and poultry operations in the West); spices, especially turmeric and ginger; and tropical fruits.

East Pakistan's exports to foreign countries have risen markedly in value over the decade, from $264 million in 1960–61 to a record $351 million in 1969–70. This increase has been due to a gradual shift from raw jute to jute manufactures since the partition from India, even though a significant level of raw jute exports has been maintained.

In the mid-1950's, large new jute factories were built in East Pakistan to utilize the raw jute that once went to Calcutta for processing. The largest jute mill in the world under one roof is located at Narayangaj, in East Pakistan. Exports of jute manufactures accounted for a record $166 million in 1969–70, compared with only about $2 million in the early years of partition. Diversification in jute products has helped raise exports, including larger shipments of carpet backing to the United States.

Exports of tea to foreign customers, however, have virtually ended, since supplies are inadequate even for the West Pakistan market. Most spices, also, go to West Pakistan.

New industries have recently provided supplies for larger exports to Hong Kong and Southeast Asia. Important in 1969–70 (in millions of dollars) were: Leather, 12.6; cotton yarn and textiles, 5.5; rope and twine, 1.3; and oilseeds, 0.8.

Vegetable market, West Pakistan.

East Pakistan's total imports from foreign suppliers in 1969–70, at $381 million, though more than double those of the early 1960's, were only $30 million above the 1969–70 export level. Major items (in millions of dollars) were: Machinery, 123; wheat, 68; steel, 19; and vegetable oils, rice, and chemicals, 18 each.

A growing urban demand for wheat (which is available at ration shops at lower prices than rice), plus the special needs arising from the November disaster, pushed wheat imports up in 1970. From the United States came over 1 million tons (mostly under P.L. 480)—twice as much as in 1969. Canada, Australia, West Germany, and France also supplied more wheat in 1970. Wheat demand during the decade was spurred by rice shortages in urban markets, changes in consumer preferences, and school lunch programs providing children with wheat products.

Rice imports have fluctuated widely. Burma was replaced by West Pakistan in the late 1960's as chief supplier; but in 1970, when West Pakistan could not fully meet the need, Japan and Mainland China sent sizable amounts. Larger imports are scheduled for 1971, including some to come as a grant from the United States.

Trade outlook—West and East. West Pakistan's prospects for complete foodgrain self-sufficiency, which appeared so bright 2 years ago, have now dimmed. Still, further production gains are likely to keep foodgrain imports below 1 million tons a year for the next several years, though demand for imports of coarse grains may be boosted by continued expansion in the poultry and dairy industries of the area.

Imports of vegetable oils, especially soybean, are likely to rise rapidly; tallow imports also are increasing at a brisk pace, despite higher prices quoted by major suppliers.

East Pakistan, however, appears likely to become a much larger importer of wheat and rice than heretofore, unless it has a dramatic breakthrough in rice production. Because of the low level of stocks usually maintained, imports of foodgrains could reach 3 million tons a year in the early 1970's—particularly if concessional financing continues available.

If plans for further export diversification are carried out, East Pakistan could continue its gain in exports of jute products; increase its exports of leather products, cotton textiles, spices, canned pineapples; and perhaps increase production of labor-intensive crops such as peanuts, safflowerseed, and tobacco.

CROPS AND MARKETS SHORTS

Grains, Feeds, Pulses and Seeds

Weekly Rotterdam Grain Prices, Levies

Current offer prices for imported grain at Rotterdam, the Netherlands, compared with a week earlier and a year ago:

Item	May 12	Change from previous week	A year ago
	Dol. per bu.	*Cents per bu.*	*Dol. per bu.*
Wheat:			
Canadian No. 2 Manitoba	1.90	−3	1.99
USSR SKS-14	1.90	−1	(1)
Australian FAQ	1.82	−1	1.71
U.S. No. 2 Dark Northern Spring:			
14 percent	1.93	0	1.90
15 percent	1.96	−2	1.98
U.S. No. 2 Hard Winter:			
13.5 percent	1.90	−1	1.87
No. 3 Hard Amber Durum	1.80	−1	1.93
Argentine	(1)	(1)	1.81
U.S. No. 2 Soft Red Winter	1.77	+1	1.73
Feedgrains:			
U.S. No. 3 Yellow corn	1.63	−2	1.66
Argentine Plate corn	1.69	+1	1.71
U.S. No. 2 sorghum	1.42	−4	1.46
Argentine-Granifero sorghum	1.42	0	1.44
U.S. No. 3 Feed barley	1.21	−6	1.05
Soybeans:			
U.S. No. 2 Yellow	3.29	+4	3.02
EC import levies:			
Wheat [3]	1.59	+7	1.44
Corn [2]	.88	−1	.87
Sorghum [2]	1.00	−2	.98

[1] Not quoted. [2] Until Aug. 1, 1972, Italian levies are 19 cents a bu. lower than those of other EC countries. [3] Durum wheat has a separate levy. Note: Basis—30- to 60-day delivery.

Tobacco

U.S. Tobacco Exports Rise in March

U.S. exports of unmanufactured tobacco in March 1971 were 52.4 million pounds, compared with 41.1 million in March 1970. This brings the total for the 9 months ending March 31, 1971, to 423 million, down 6 percent from the 450.6 million exported during the same 9 months of 1970.

Exports to the European Community were 113.3 million pounds for the 9 months, down 6.8 million from the 120.1 million exported during the same period in 1970. Exports to the United Kingdom were 93.8 million, down 23.3 million from the 116.5 million exported during the prior period. Exports to Japan were 52.8 million compared with 44.4 million, a gain of 8.4 million.

The value of exports to all countries was $414.6 million for the 9 months, a loss of 4 percent from the $432.3 million exported during the 1970 period.

Exports of manufactured tobacco products were $15.9 million in March 1971, nearly the same as for March 1970. This brings the value for the 9 months to $148.4 million, 17 percent above the $126.7 million exported during the same 9 months of 1970.

U.S. EXPORTS OF UNMANUFACTURED TOBACCO
[Export weight]

Kind	March		July-March		Change from
	1970	1971	1970	1971	1970
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*Percent*
Flue-cured	28,685	40,480	335,180	320,173	− 4
Burley	4,500	3,007	37,187	24,939	− 33
Dark-fired Ky.-Tenn.	748	2,113	15,837	14,767	− 7
Va. fire-cured [1]	500	97	3,215	3,335	+ 4
Maryland	1,580	815	7,764	7,416	− 4
Green River	76	350	209	426	+104
One Sucker	91	127	451	401	− 11
Black Fat	273	256	1,516	2,139	+ 41
Cigar wrapper	51	65	977	943	− 3
Cigar binder	—	10	560	303	− 46
Cigar filler	3	14	320	234	− 27
Other	4,604	5,018	47,340	47,934	+ 1
Total	41,111	52,352	450,556	423,010	− 6
	Mil. dol.	*Mil. dol.*	*Mil. dol.*	*Mil. dol.*	*Percent*
Declared value	38.8	49.4	432.3	414.6	− 4

[1] Includes sun-cured. Bureau of the Census.

U.S. EXPORTS OF TOBACCO PRODUCTS

Kind	March		July-March		Change from
	1970	1971	1970	1971	1970
					Per-Cent
Cigars and cheroots *1,000 pieces*	6,798	3,459	46,869	51,484	+10
Cigarettes *Million pieces*	2,608	2,381	20,207	21,241	+ 5
Chewing and snuff *1,000 pounds*	3	1	39	28	−28
Smoking tobacco in pkgs. *1,000 pounds*	150	57	762	1,004	+32
Smoking tobacco in bulk *1,000 pounds*	1,615	2,142	15,505	22,569	+46
Total declared value *Million dollars*	15.8	15.9	126.7	148.4	+17

Bureau of the Census.

Philippine Tobacco Trade Declines

Philippine exports of unmanufactured tobacco totaled 65.6 million pounds for the year ending June 30, 1970, down 33 percent from the 97.7 million pounds exported the year before. Imports were 6.6 million pounds, down 40 percent from the 11.1 million pounds of the previous year.

The United States took 21.3 million pounds, or 32 percent, of the Philippine Republic's leaf exports and supplied 5.8 million pounds, or 88 percent, of its imports.

Domestic utilization of leaf tobacco was 106.4 million pounds, about the same as the year before. Cigarette production, at 39.7 billion pieces, was up 5 percent from the previous year's output of 37.8 billion pieces. Cigar production, at 59.9 million pieces, was down 12 percent from the 68.1 million of the previous year.

Ontario's Flue-Cured Allotment Down

The Ontario Flue-cured Tobacco Growers' Marketing Board has announced a reduction in the flue-cured acreage allotment from 93,389 acres in 1970 to 82,665 in 1971.

The new allotment was reached by reducing all allotments above the 3-acre exemption per farm by 50 percent. There are approximately 4,500 farms producing flue-cured tobacco in Ontario, each with a 3-acre exemption, meaning that about 13,500 acres were exempted from the 50-percent cut. The cut was applied to a basic acreage of 151,830 less the approximately 13,500 exempted acres, or about 138,330 acres.

This represents the fourth consecutive year of reduction in Ontario's tobacco allotment. The lowest allotment during the past 10 years was 76,059 acres in 1964. The highest was 138,709 in 1967.

The Board's goal is a 1971 crop of 176.9 million pounds. This is based on a cut of 10,700 acres from 1970. However, the goal for 1971 is based on the record yield in 1970 of 2,140 pounds per acre. It is unlikely that this yield will be repeated in 1971. The goal for 1970 was 172.5 million pounds. Actual sales of the 1970 crop totaled 199 million pounds, for an average price of 65 U.S. cents per pound.

The target price for the 1971 crop is 69 U.S. cents per pound. This is partly based on an agreement with the buying companies that, in case of overtarget production, these companies will purchase their pro-rata percentage of the excess. A 5-percent plus or minus leeway will allow the production of 168 million to 186 million pounds to be covered by the price figure of 69 U.S. cents per pound.

Canada is an important supplier of flue-cured tobacco in world trade, exporting about one-fourth of its annual production. Nearly 90 percent of Canada's flue-cured tobacco is exported to the United Kingdom. U.K. manufacturers recently told the Ontario Board that they intend to purchase 62.7 million pounds of tobacco from the 1971 crop, compared with an intended 54 million pounds for the 1970 crop.

Livestock and Meat Products

U.S. Meat Imports Down in March

U.S. imports subject to the Meat Import Law during March 1971 totaled 88.4 million pounds, compared with 112 million for March 1970. Declared entries for consumption during January-March 1971, at 236.8 million pounds, were 29.8 percent below the 337.2 million pounds imported in January-March 1970.

Reduced entries for consumption during March from Australia, New Zealand, Nicaragua, Guatemala, and Honduras accounted for the decline. Imports from the largest supplier —Australia—totaled 27.5 million pounds. New Zealand followed with 18 million pounds, Ireland with 11.9 million, Mexico with 9.1 million, Canada with 6.9 million, and Costa Rica with 6.8 million.

U.S. IMPORTS SUBJECT TO MEAT IMPORT LAW BY COUNTRY [1]

Country of origin	March		January-March		Change from January-March 1970
	1970	1971	1970	1971	
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*Percent*
Australia	44,561	27,454	162,698	81,050	−50.2
New Zealand	31,457	17,980	51,343	39,707	−22.7
Mexico	6,771	9,096	28,433	28,833	+ 1.4
Ireland	5,637	11,873	22,961	23,984	+ 4.5
Canada	5,859	6,932	17,817	19,364	+ 8.7
Costa Rica	4,723	6,832	14,690	19,333	+31.6
Nicaragua	5,246	3,098	13,803	10,950	−20.7
Guatemala	2,727	2,402	9,273	5,628	−39.3
Honduras	3,435	1,637	10,377	5,571	−46.3
Panama	852	659	2,676	1,131	−57.7
United Kingdom	—	306	862	750	−13.0
Dominican Republic	679	15	2,022	360	−82.2
Haiti	59	67	226	179	−20.8
Total	112,006	88,351	337,183	236,840	−29.8

[1] Fresh, frozen, and chilled beef, veal, mutton, and goat meat, including rejections. Excludes canned meat and other prepared or preserved meat products.

U.S. IMPORTS SUBJECT TO MEAT IMPORT LAW
[P.L. 88-482]

Imports	March	January-March
	Million pounds	*Million pounds*
1971:		
Subject to Meat Import Law [1]	88.4	236.8
Total beef and veal [2]	101.9	271.0
Total red meat [3]	147.8	390.5
1970:		
Subject to Meat Import Law [1]	112.0	337.2
Total beef and veal [2]	124.7	372.6
Total red meat [3]	171.3	495.0
1969:		
Subject to Meat Import Law [1]	136.1	228.4
Total beef and veal [2]	141.3	253.1
Total red meat [3]	194.8	344.2

[1] Fresh, chilled, and frozen beef, veal, mutton, and goat meat, including rejections. [2] All forms, including canned and preserved. [3] Total beef, veal, pork, lamb, mutton, and goat.

U.S. Livestock Exports Up, Imports Down

The value of livestock, meat and meat product exports in March, at $63.6 million, was up 16 percent from a year ago, owing primarily to increased variety meat shipments to the European Community and the United Kingdom. Imports, however, were brought down 10 percent to $113 million by reduced entries of boneless beef from Australia and a lower level of apparel wool imports at a lower per unit value.

Exports. Variety meat exports in March, at 29 million pounds, were nearly double their year-earlier level. Most of the increase came from larger shipments of beef offals to the United Kingdom and France and large exports of pork livers to West Germany.

Lard exports at 44 million pounds were up almost 20 percent from a year ago. Shipments to the United Kingdom of 39 million pounds versus 29 million a year ago accounted for the increase.

Live cattle exports to Canada destined mainly for slaughter had been expected to continue their downward trend in March but were actually about 1,000 head greater than the 4,400 head exported in February. The larger imports were used to supplement Canada's domestic supplies, which were tight because of efforts to build up herds.

Imports. Boneless beef imports, at 83 million pounds, were almost 20 percent under their year-earlier level of 103 million pounds. Reduced entries from Australia accounted for most of the decline. Through March 1971, boneless beef entries totaled 225 million pounds, compared with a total of 307 million pounds in 1970.

Wool imports continued their downward trend, most of the decline coming in the category of dutiable (apparel) wool. Imports of dutiable wool at 5 million pounds were not even half their year-earlier level. Per unit values of dutiable wool in March were $6.27 per pound versus $7.50 a year ago.

U.S. IMPORTS OF SELECTED LIVESTOCK PRODUCTS[1]

Commodity	March		Jan.-Mar.	
	1970	1971	1970	1971
Red meats:				
Beef and veal:	*1,000*	*1,000*	*1,000*	*1,000*
Fresh, chilled, or frozen:	*pounds*	*pounds*	*pounds*	*pounds*
Bone-in-beef	2,384	1,551	6,970	3,960
Boneless beef	103,136	83,212	307,242	224,496
Cuts (prepared)	595	4,723	1,847	11,820
Veal	2,098	1,641	6,384	4,231
Canned beef:				
Corned	8,331	3,848	27,649	12,127
Other, including sausage	1,687	2,536	6,967	5,425
Prepared and preserved	6,420	4,348	15,538	8,908
Total beef and veal[2]	124,652	101,859	372,596	270,967
Pork:				
Fresh, chilled, and frozen	4,063	5,785	12,501	16,155
Canned:				
Hams and shoulders	24,585	26,912	62,633	68,614
Other	3,321	2,695	8,108	5,843
Cured:				
Hams and shoulders	95	77	318	252
Other	473	311	1,077	982
Sausage	311	380	913	874
Total pork[2]	32,848	36,161	85,548	92,721
Mutton and goat	4,385	1,947	16,586	4,153
Lamb	6,551	5,734	12,344	16,526
Other sausage	1,047	859	2,629	2,055
Other meats	1,839	1,225	5,282	4,093
Total red meats[2]	171,322	147,785	494,989	390,514
Variety meats	1,115	781	2,382	2,254
Edible and inedible tallow and greases	529	521	1,442	2,184
Meat extract	69	85	198	255
Wool (clean basis):				
Dutiable	11,656	5,003	28,369	15,495
Duty-free	6,381	6,175	18,276	17,049
Total wool[2]	18,037	11,178	46,646	32,545
Animal hair (clean basis)	182	246	633	531
Hides and skins:				
Cattle parts	107	224	136	515
Sheep skins pickled and split	1,137	622	2,824	1,500
	1,000	*1,000*	*1,000*	*1,000*
	pieces	*pieces*	*pieces*	*pieces*
Cattle	19	29	57	71
Calf and kip	39	25	158	89
Buffalo	19	11	47	27
Sheep and lamb	2,993	2,879	5,617	5,259
Goat and kid	700	180	1,925	438
Horse	14	23	41	57
Pig	132	15	343	59
Livestock:	*Number*	*Number*	*Number*	*Number*
Cattle[3]	112,275	115,224	311,468	249,242
Sheep	886	1,755	1,288	1,755
Hogs	2,206	6,970	5,574	15,863
Horses, asses, mules, and burros	276	275	551	578

[1] Preliminary. [2] May not add due to rounding. [3] Includes cattle for breeding. Bureau of the Census.

U.S. EXPORTS OF SELECTED LIVESTOCK PRODUCTS[1]

Commodity	March		Jan.-Mar.	
	1970	1971	1970	1971
	1,000	*1,000*	*1,000*	*1,000*
Animal fats:	*pounds*	*pounds*	*pounds*	*pounds*
Lard	37,332	44,414	99,925	93,748
Tallow and greases:				
Inedible	235,267	239,413	518,502	703,742
Edible	2,585	978	4,697	4,278
Meats:				
Beef and veal	2,352	4,674	6,919	10,858
Pork	3,459	2,818	10,980	10,092
Goat, lamb, and mutton	92	190	240	431
Sausage, bologna, and frankfurters	285	346	1,074	916
Meat specialties	255	341	936	803
Other canned	607	706	2,041	1,840
Total red meats[2]	7,083	9,075	22,187	24,940
Variety meats	15,083	29,154	44,321	71,972
Sausage casings (animal origin)	1,063	1,117	2,860	3,536
Animal hair, including mohair	1,160	1,300	2,543	3,089
Hides and skins:				
Cattle parts	1,526	1,878	3,269	5,460
	1,000	*1,000*	*1,000*	*1,000*
	pieces	*pieces*	*pieces*	*pieces*
Cattle	1,587	1,611	4,182	4,069
Calf	99	181	223	446
Kip	16	18	63	58
Sheep and lamb	348	449	799	1,248
Horse	12	16	37	51
Goat and kid	38	44	91	138
Livestock:	*Number*	*Number*	*Number*	*Number*
Cattle and calves	2,866	7,229	9,090	48,405
Sheep, lambs, and goats	12,068	16,507	23,439	30,499
Hogs	1,315	2,311	4,326	6,750
Horses, asses, mules, and burros	438	352	1,985	2,654

[1] Preliminary. [2] May not add due to rounding. Bureau of the Census.

Crops and Markets Index

Grains, Feeds, Pulses, and Seeds

12 Weekly Rotterdam Grain Prices, Levies

Livestock and Meat Products

13 U.S. Meat Imports Down in March

13 U.S. Livestock Exports Up, Imports Down

Tobacco

12 U.S. Tobacco Exports Rise in March

12 Philippine Tobacco Trade Declines

13 Ontario's Flue-Cured Allotment Down

U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250

OFFICIAL BUSINESS

United States Department of Agriculture
POSTAGE & FEES PAID

To change your address or stop mailing, tear off this sheet and send to Foreign Agricultural Service, U.S. Dept. of Agriculture, Rm. 5918, Washington, D.C. 20250.

Record U.S. Farm Exports Continue

(Continued from page 3)

exports are still 4 percent below the year-earlier volume, they have staged an excellent comeback from the position they occupied at the end of December—17 percent less than during the first half of the previous fiscal year. The chief hindrance to U.S. tobacco sales is that the United Kingdom's purchases have fallen 20 percent.

Cotton, in contrast, has had increased demand this fiscal year because of smaller Free World production (except in the United States) and some gain in mill consumption. U.S. cotton has been moving particularly to Common Market countries, Canada, and Asia. But tight U.S. supplies, especially of the short staple wanted by foreign textile mills for blending, are limiting growth of U.S. cotton exports.

Other U.S. products that helped push agricultural sales abroad to a new record high were inedible tallow, lard, and dairy goods. Shipments of inedible tallow and lard plus minor amounts of other animal fats and oils were 27 percent greater in volume than during the first 9 months of fiscal 1970 and were 41 percent bigger in value. Exports of dairy products, worth $95 million, were up 14 percent in value from a year earlier and were mostly donations under Title II of Public Law 480.

Both developed and developing countries increased purchases of U.S. farm goods. For example, Common Market countries bought nearly one-third more than during the first 9 months of the previous fiscal year because of sharply reduced grain production and stocks, and sales this fiscal year through March 1971 were worth $1,367 million. U.S. agricultural shipments to developing countries were worth more—$1,654 million—but had grown less (12 percent). But nearly all that growth was in dollar sales.

What is the outlook for the remainder of fiscal 1971? First, growth in industrial production in many advanced countries, especially Western Europe and Japan, has slowed down in 1971. This trend may have a damping effect on imports of agricultural goods both from the United States and other countries.

Second, U.S. feedgrains may be meeting increased competition on world markets in the near future. Argentina had large corn and sorghum crops harvested in March and April; Australia's March-May feedgrain harvest is up sharply; and South Africa's corn crop (to be harvested in May and June) is expected to be much larger than last year's and to provide an exportable surplus of around 3 million metric tons.

On the other hand, U.S. exports of soybeans and products should continue strong for the next few months. More and more livestock and poultry are being fed to produce meat, and relatively high grain prices will encourage liberal use of economically priced soybean meal.

U.S. FARM EXPORTS FOR FISCAL 1971, JULY-MARCH

Commodity	July-March 1969-70	July-March 1970-71	Change
Animals and animal products:	*Mil. dol.*	*Mil. dol.*	*Percent*
Dairy products	83	95	+14
Fats and oils	145	204	+41
Hides and skins	155	138	−11
Meats and products	107	106	−1
Poultry products	42	42	—
Other	68	99	+46
Total	600	684	+14
Grains and preparations:			
Feedgrains, excluding products	801	937	+17
Rice	239	210	−12
Wheat and flour	686	901	+31
Other	46	64	+39
Total	1,772	2,112	+19
Oilseeds and products:			
Cottonseed and soybean oils	129	208	+61
Soybeans	756	958	+27
Protein meal	236	296	+25
Other	68	78	+15
Total	1,189	1,540	+30
Others:			
Cotton, excluding linters	238	340	+43
Tobacco, unmanufactured	449	441	−2
Fruits and preparations	258	254	−2
Vegetables and preparations	146	150	+3
Others	339	336	+8
Total	1,430	1,551	+8
Total exports	4,991	5,887	+18

☆U. S. GOVERNMENT PRINTING OFFICE : 1971 431-898/45